

'Fly-out' communities

- 4.1 This chapter sets out the benefits and shortcomings of FIFO from the perspective of workers who use this arrangement and the 'source communities' from which these workers come.
- 4.2 The deleterious effects of FIFO workforces on regional communities, only indicates that they are unlikely to be responsible for the growth of this practice. The perceived benefits lay elsewhere, in the source communities which inhabit metropolitan centres and coastal regional centres that operate as FIFO hubs.
- 4.3 FIFO workers expect a right to a safe work environment, with accommodation of a high standard and appropriate support for their families. On the whole, the inquiry heard from families and employers that there are many ways to successfully navigate 'working FIFO'.
- 4.4 Despite the obvious attractions of FIFO for workers such as high remuneration, it was put to the inquiry that the 'FIFO lifestyle' can be accompanied by a range of damaging consequences for participants such as relationship stress and breakdown, excessive alcohol and drug use, depression and violence amongst FIFO workers.
- 4.5 In considering and reporting on the experiences of FIFO workers, their families and the communities in which they reside, the inquiry was frustrated by a lack of data. Determining a report and recommendations that is based on anecdotal evidence has obvious limitations, however, the seriousness of some matters associated with working FIFO supports calls for a greater focus on this practice.
- 4.6 The Committee did not receive a lot of views directly from FIFO workers but did have the opportunity to talk to workers informally at many site inspections and also had the opportunity to talk to families of workers.

- 4.7 AngloGold Ashanti, operating in Western Australia, asked employees why they worked FIFO, the benefits of FIFO and would they move to a remote mine site.¹
- 4.8 Matthew, Mechanical Maintenance Technician, a FIFO worker of 16 years and resident of Perth said:

Why this FIFO working arrangement suits individual: "I have a decent break when I come home to Perth (6 days), allowing me extended quality time with my son and family. It also gives me the opportunity to go on short holidays and complete projects around the house, which would be protracted if I worked in Perth. I like the flexibility that the FIFO roster affords me. When it is time to take holidays, taking 8 annual leave days, combined with my R&R gives almost 3 weeks' vacation time, twice a year if needed. I earn a good salary at the sacrifice of being away from home for just over a week, then I get to come home and enjoy my break in a relatively civilised and cosmopolitan society; away from red dust, flies, snakes, dry boiling heat and every other reason not to live permanently in a remote area."

The benefits of FIFO: I have an extended break that allows me to do several activities during my time off, without hindrance. It allows me to study reasonably effectively, giving me access to classes at least once a fortnight. I have plenty of time for family commitments and it also allows me to be involved in my son's daily routine more frequently and effectively

Would the person live in a remote town site next to a mine: Not in a million years. The thought of living in some small town in the middle of nowhere is not a realistic option where services and amenities are next to non-existent. I wouldn't live in a remote area to work on a mine site. I work FIFO for the above benefits, not the drawback of living in a small community.

- 4.9 Penny, Underground Administrator, FIFO worker of 3.5 years and resident of Bunbury, WA, said:

Why this FIFO working arrangement suits individual: The financial reward is the key reason. A Monday to Friday working week is too regimented and a FIFO roster offers more flexibility time-wise. There are a lot more opportunities within the mining industry for this type of role than in city-based employment.

1 AngloGold Ashanti Australia, *Submission 100*, pp. 5-7.

[Penny] has worked in a vast variety of environments and finds the mining environment to be a lot more friendly and relaxed.

The benefits of FIFO: Financial stability and flexibility of rosters.

Would the person live in a remote town site next to a mine: Yes – previously resided in a remote mining town (Leinster) for 4.5 years.

- 4.10 Matthew, Permit to Work and Training Officer, FIFO workers of 8.5 years and resident of Perth said:

Why this FIFO working arrangement suits individual: On this roster, there is a good balance between personal/home life and work life. [Matthew] likes being near the city for the services and entertainment it offers every weekend (his weekends are effectively are 3 days long). He has previously also enjoyed the benefit of working an 8/6 roster as there is a significant break during R&R to go on trips. Even though [Matthew] is degree qualified he believes he wouldn’t get the same money if he was working in Perth as a semi-skilled worker. ...

Would the person live in a remote town site next to a mine: No – [Matthew] has done it before and prefers the city. He’s also cognisant the impact such a move would have on his partner - that is, whether there would be opportunities for her career and how comfortable they’d be living in a small town where there may be limited services or entertainment. This wouldn’t appeal to them.

- 4.11 Michael, General Manager, FIFO worker for 20 years, resident of Perth said:

Why this FIFO working arrangement suits individual: FIFO worked well for [Michael] with no children and it now allows him to have quality time with his child and to be involved in school activities that would never have been possible with a Monday-Friday residential arrangement. He noted that FIFO allows a good quality of life provided the spouse is supportive and independent.

“The benefits of FIFO are that you can live in, and establish a home in, a larger centre with access to good schools from primary through to high school – something that is a serious limitation in the vast majority of residential situations. It also means that you have the ability to change jobs and not disturb the family by requiring them to move towns.

FIFO enables a good separation of work from home and you can be fully engaged in each location, yet you also get to know your workmates better in a FIFO environment.

Would the person live in a remote town site next to a mine: Yes – has previously lived in a mining town and enjoyed the community spirit and socialising with a broad group of people.

4.12 The views of these FIFO workers are representative of the broader FIFO population encountered throughout the inquiry.

The FIFO worker experience

4.13 The AngloGold Ashanti case studies illustrate the primary reasons that people choose to work FIFO:

- lifestyle choice – FIFO workers are able to choose the community size, location and climate that best suits their needs;
- work hours – FIFO work rosters allow continuous tracts of time away from work to be spent with family or on activities that would not be available to working a 9 to 5 routine;
- access to facilities – FIFO workers are able to choose to base their families in communities which have greater access to services and facilities and schooling options;
- continuity and support networks – FIFO workers are able to choose to remain in their home cities and towns with their extended family and support networks;
- partner's career – FIFO workers are able to choose to work in remote and regional locations without impacting on their partner's career.²

4.14 The choice to work under FIFO arrangements was also linked to a worker's stage in life. The Minerals Council of Australia (MCA) stated that FIFO is generally preferred by single people, unmarried couples and families with children in their teenage years but that families with young children generally prefer to live locally.³

4.15 Key to the FIFO worker experience is the standard of accommodation and the health impacts of the work practice.

2 For examples see: Advance Cairns, *Submission 76*, p. 4; Chamber of Minerals and Energy Western Australia, *Submission 99*, p. 4; Linda Nunn, Industrial Relations Manager, Sodexo Pty Ltd, *Transcript of Evidence*, Melbourne, 14 June 2012, p. 3; South Australian Chamber of Mines and Energy (SACOME), *Submission 130*, p. 6; Anne Sibbel, *Transcript of Evidence*, Perth, 18 April 2012, p. 16; Nicole Ashby, Director, FIFO Families Pty Ltd, *Transcript of Evidence*, Perth, 18 April 2012, p. 13; Queensland Government, *Submission 109*, p. 3.

3 The Minerals Council of Australia (MCA), *Submission 118*, p. 8.

Accommodation standards

- 4.16 A wide range of accommodation options are used to house FIFO workers, including: the rental of residential properties in towns; hotel and motel accommodation and accommodation villages or, as they are often referred, camps. The Committee inspected a number of FIFO accommodation villages across Australia.
- 4.17 The Committee received both positive and negative opinions regarding FIFO accommodation camps and the quality of the facilities offered.
- 4.18 Project managers Acumen Partners also expressed reservations:
The present model of camp life is delivering poor health outcomes, avoidable staff and operational costs and poor relations with nearby towns despite increasing costs per person accommodated.⁴
- 4.19 The Construction Forestry Mining and Energy Union (CFMEU), described the quality of camps as highly variable, while acknowledging that some accommodation villages are very good, the CFMEU stated:
...in extreme cases, WAVs [worker accommodation villages] can be more akin to prison quarters, where grounds are surrounded by 3 metre high barbed- and ring-wire fences and entry is only through a security checkpoint where bag searches are conducted.⁵
- 4.20 The Chamber of Commerce and Industry Western Australia (CCIWA) directly disputed the CFMEU's claims. The CCIWA stated that worker accommodation villages are required to meet the high standard set out under the Code of Practice for Workplace Amenities and Facilities:
... certain standards are required for employer-provided accommodation to ensure there are no hazards and to ensure, for example, standards of cleanliness, drinking water, heating and cooling; appropriate sleeping accommodation and a range of facilities such as clothes washing, storage cupboards and appropriate furniture are provided to workers.⁶
- 4.21 Researchers affiliated with the Queensland University of Technology, the ARC Research team, also acknowledged the variable quality of FIFO accommodation villages:
They vary greatly in conditions as there is a paucity of planning regulations relating to temporary dwellings for the purposes of prospecting in particular. Some provide air-conditioned quarters,

4 Acumen Partners, *Submission 44*, p. 4.

5 Construction Forestry Mining and Energy Union (CFMEU), *Submission 133*, p. 18.

6 Chamber of Commerce and Industry of Western Australia (CCIWA), *Submission 167*, p. 11.

restaurant quality food and offer superior facilities while others are hastily and sometimes illegally erected structures, surrounded by barbed wire and where the only recreational outlet on offer is the 'wet mess.'⁷

4.22 The variability concerns raised by the ARC Research Team may be a result of temporary versus permanent accommodation. The Committee was generally impressed with the quality of the accommodation villages it inspected. In Coppabella, in Queensland's Bowen Basin, the standard room in the MAC Village consists of an en-suited 16m square room with air-conditioning, a flat screen TV with Foxtel channels, a desk, wireless internet and a king single bed.⁸

4.23 The Committee also dined in the mess halls of a number of accommodation villages and witnessed a range of healthy-eating programs and health and fitness advice promoted by the villages. MAC outlined the health facilities available to workers staying in its facilities including:

- on-site gymnasiums and fitness facilities including multi-purpose courts (basketball, volleyball and tennis) and recreational swimming pools;
- lifestyle coordinators and certified personal trainers who are available to guests for fitness and health advice;
- on-site personal training and group fitness classes;

4.24 However, whilst there were a range of health and fitness programs available for FIFO workers staying in accommodation villages, a number concerns were expressed regarding the impact of social isolation on their health and well-being.

Social isolation

4.25 The CFMEU highlighted a case that demonstrated the possible level of social isolation of FIFO workers living in accommodation camps:

It is possible that you may never see the person in the donga next to yourself let alone know them. Earlier this year, for example, a 55 year-old man was found dead in a donga in the Pilbara. Whilst there were no suspicious circumstances, what was surprising was that the deceased had lain in this donga for several days before anyone discovered anything was wrong. Clearly there must be a

7 ARC Research Team, *Submission 95*, p. 16.

8 MAC Services Group, *Submission 139*, p. 6.

problem where an individual can lie dead in a room for a number of days before he is discovered.⁹

4.26 Social isolation and the routine separation from family support and informal social controls as well as the lack of the sense of belonging to a community can have negative impacts on the well-being of FIFO workers.

4.27 Concerns were raised about the 'institutionalised' nature of camps, both from local residents and FIFO workers. A partner of a FIFO worker noted:

from the camps that I have been to and just seeing how institutionalised and segregated these camps can be, I think it would be great if you could get outside that camp and go and play a game of touch footy or soccer with local communities. I think it would certainly help just to be able to step out of that institutionalised environment.¹⁰

4.28 There was much debate about whether FIFO camps should be integrated into communities or kept in isolation from towns. Largely, however, the evidence indicated that better integration with towns would benefit workers and communities:

Social isolation for construction workers ... could be improved by being located within the Roxby Downs Township environment. Anecdotally workers are more likely to see the benefits of the town and operating environment if exposed to all elements and is more likely to lead to some electing to stay in Roxby Downs and potentially relocate.¹¹

4.29 The Australian Manufacturing Workers' Union (AMWU) suggested that the social isolation experienced by FIFO workers can lead to alcohol and violence problems:

Non resident workers endure exacting working conditions, isolation, boredom, limited living conditions and community isolation causing in some cases an increase in drunkenness and violence.¹²

4.30 Some accommodation providers are seeking to address this issue by providing BBQ areas, lawns, gazebos and casual recreational areas to promote social interaction between workers living in their villages.¹³ Some accommodation providers also open their facilities to the local

9 CFMEU, *Submission 133*, p. 18.

10 Nicole Ashby, Director, FIFO Families, *Transcript of Evidence*, Perth, 18 April 2012, p. 14.

11 Roxby Council, *Submission 35*, p. 20.

12 Australian Manufacturing Workers' Union (AMWU), *Submission 32*, p. 3.

13 MAC Services Group, *Submission 139*, p. [6].

communities and support community events to try and engage more closely with host communities.¹⁴

- 4.31 Encouraging interaction within work camps and opening the camps to local communities may assuage issues related to social isolation, in addition, there would be great benefit in encouraging FIFO workers to interact with local communities.
- 4.32 In Kambalda West, the Committee visited a new Community and Recreation Facility complete with gymnasium, swimming pool and Australian Rules oval. The Facility was built at a cost of \$10 million and councillors who met with the Committee complained of under-utilisation because of a lack of transport for FIFO workers from the nearby work camp.¹⁵

Area for corporate action – placement of work camps

- 4.33 The varied views received by the inquiry regarding the placement of work camps made it clear that accommodation providers must work closely with each community to ensure that a balance is found to try to offset the social isolation being experienced by workers and the desires of communities.**

Health impacts on FIFO workers

- 4.34 The inquiry heard many claims about alcohol and substance misuse and the health impacts of FIFO work, some of which are directly related to the social isolation of the FIFO experience. Some of the impacts cited include:
- the use of alcohol and other drugs;
 - poor diet and physical inactivity;
 - increased sexually transmitted and blood borne infections;
 - mental health issues;
 - fatigue related injury; and
 - an increase in injury related to high-risk behaviour.¹⁶

14 MAC Services Group, *Submission 139*, p. [3].

15 Site inspection, Kambalda, Western Australia, 19 April 2012.

16 Public Health Association Australia (PHAA), *Submission 220*, p. 1; David Mountain, President, Australian Medical Association of Western Australia (AMA WA), *Transcript of Evidence*, Perth, 17 April 2012, pp. 1-2.

- 4.35 A number of these impacts relate to the age and risk profile of FIFO workers, being young single males. The Australian Medical Association (WA) (AMA WA) noted:
- Some of our members noticed that quad bike injuries have tripled in Perth over last five years. A lot of that is people coming back and taking part in high-risk activities because when you have got time off you want to do something that is a rush after you have been pretty bored up on the mine sites.¹⁷
- 4.36 The number of groups raising concerns about the rise in sexually transmitted infections (STIs) directly related to the FIFO workforce also reflects this age and risk profile.¹⁸
- 4.37 AMA WA claimed that, particularly in Western Australia, doctors are seeing an increasing number of FIFO patients and that cheap South-East Asia holidays combined with 'young blokes who are cashed up' is leading not only to a high rate of STIs, but also the introduction of South-East Asian strains of disease, exposing the wider community to significant risks. It was also argued that current health strategies are not appropriately addressing this risk.¹⁹
- 4.38 As noted above, accommodation providers are making serious efforts to address overweight and obesity by the provision of healthy meal choices and healthy lifestyle programs. At all of the sites the Committee visited, gyms were available for use and some providers employed 'lifestyle coordinators' to advise residents about healthy lifestyle programs.

Substance misuse

- 4.39 Perhaps the most common concern about the wellbeing of FIFO workers raised in the inquiry was the excessive use of alcohol and, increasingly, other substances.
- 4.40 The inquiry received many claims regarding a culture of binge-drinking and substance abuse amongst FIFO workers. The Western Australian Network of Alcohol and other Drug Agencies (WANADA) stated that their member agencies:

17 David Mountain, President, AMA WA, *Transcript of Evidence*, Perth, 17 April 2012, p. 1.

18 Soroptimist International of Karratha and Districts, *Submission 67*; The Perth Brothers and Sisters of Perpetual Indulgence, *Submission 157*; CFMEU, *Submission 133*; PHAA, *Submission 220*; David Mountain, President, AMA WA, *Transcript of Evidence*, Perth, 17 April 2012; Judith Wright, as read by Vivien Kamen, Member, Soroptimist International of Karratha and Districts, *Transcript of Evidence*, Karratha, 28 March 2012, p. 2

19 David Mountain, President, AMA WA, *Transcript of Evidence*, Perth, 17 April 2012, p. 4; The Perth Brothers and Sisters of Perpetual Indulgence, *Submission 157*.

...generally believe that the FIFO conditions contribute to problematic AOD [alcohol and other drug] use, with 'extended leisure, long periods of separation from family, an increased disposable income especially for young unattached workers, limited access to regular and routine recreational activities, and an expectation/culture of partying while at home.' AOD services also generally believe that this has contributed to a general community 'culture' of bingeing and problematic AOD use.²⁰

4.41 WANADA also observed that those FIFO workers who wish to seek assistance for the treatment of alcohol or substance abuse are less able to access continued treatment due to the split between their time at home and at work.²¹

4.42 The ARC Research Team also expressed concerns regarding the potential conflict of interest regarding the sale of alcohol at accommodation villages:

In some cases the camp managers also operate the 'wet mess' liquor licence so central to camp life. Where this is the case there are considerable risks in subcontracting the responsibility of the health and wellbeing of workers, many of whom are young single men, to the care of camp managers who also profit from plying them with alcohol.²²

4.43 A Queensland Nurses' Union (QNU) alcohol services worker stated that over 13 years working in Mackay, he had seen a significant increase in alcohol misuse in FIFO workers:

When people drink, often it is not a social drink. I think the culture has changed in the mining towns and in the mining camps. People tend to drink on their own, which is not a social situation. People tend to focus more on the alcohol: alcohol becomes the focus rather than the social situation. I believe that this is leading to a change in the reasons that people drink and to a change in the drinking culture. I have come personally to name this 'miner's syndrome'.²³

20 Western Australian Network of Alcohol and other Drug Agencies (WANADA), *Submission 191*, p. 4.

21 WANADA, *Submission 191*, p. 2.

22 ARC Research Team, *Submission 95*, p. 17.

23 Danny Hember, Member, Queensland Nurses' Union, *Transcript of Evidence*, Mackay, 23 February 2012, p. 26.

- 4.44 The New South Wales Government confirmed that social service providers in the state have been reporting an increasing use of alcohol, drugs and prostitution and a greater level of alcohol-related violence, including domestic violence.²⁴
- 4.45 Resource companies have put in place measures to address alcohol use, and the Committee witnessed many 'healthy lifestyle' programs aimed at addressing alcohol use. Randomised alcohol and drug testing is a mandatory condition of employment at the majority of mine sites.²⁵
- 4.46 Despite the anecdotal claims of high substance misuse among FIFO workers, some from very reputable sources, there is little detailed research about the actual prevalence of alcohol and substance misuse amongst FIFO workers compared to the wider population.

Mental health

- 4.47 Depression and anxiety were consistently, raised as a serious concern for FIFO workers. A resident of Karratha noted that both her husband and son experienced depression on FIFO rosters and her son currently reported:
- During this time away, other than depression, his other concern is that he is working away to make money for his family and there is no room to negotiate overtime. He says that he is working to get more money and he would rather work more hours than sit depressed in his room for longer hours.²⁶
- 4.48 Increasing use of telephone and internet support services by men in remote communities may reflect an increasing need for FIFO workers to access mental health support.²⁷
- 4.49 Again, most of the evidence was anecdotal or not specific to FIFO workforces. *beyondblue* submitted that while more research is needed on the prevalence of mental health issues in the FIFO workforce, it is appropriate to consider general research about men's use of mental health services:

There are a number of barriers that contribute to men's willingness and ability to seek help for depression and anxiety - these include

24 NSW Government, *Submission 145*, p. 18.

25 CCIWA, *Submission 167*, p. 13; Rio Tinto, *Submission 149*, p. 11.

26 Judith Wright, as read by Vivien Kamen, Member, Soroptimist International of Karratha and Districts, *Transcript of Evidence*, Karratha, 28 March 2012, p. 2.

27 Gordon Gregory, Executive Director, National Rural Health Alliance (RHA), *Transcript of Evidence*, Canberra, 15 February 2012, p. 3

high levels of self-stigma, a perceived lack of skills and support, a need for control, and a preference for action over introspection.

These barriers to using mental health services may be exacerbated in FIFO/DIDO workers.²⁸

- 4.50 Rio Tinto advised that employee assistance programs directly relating to the pressures experienced by FIFO workers were provided to order to address any mental health issues that these workers may experience.²⁹
- 4.51 No evidence was presented that supported a claim that mental health issues were any higher in the FIFO worker population than in the wider workforce.

Committee comment

- 4.52 As with many of the issues raised in this report, there is a lack of data relating to the direct and indirect health impacts of the FIFO lifestyle.
- 4.53 The efforts of those employers who are making a conscientious effort to support their employees' wellbeing should be acknowledged and there are many that are doing so.
- 4.54 However, evidence to the inquiry indicates that there are health concerns that are likely to be specific to or exacerbated by the FIFO lifestyle that need a targeted health policy focus. Disease as a result of risk-behaviours, alcohol and other substance misuse and depression and anxiety appear to require particular attention.

Recommendation 8

The Committee recommends that the Commonwealth Government commission a comprehensive study into the health effects of fly-in, fly-out/drive-in, drive-out work and lifestyle factors and as a result of this research develop a comprehensive health policy response addressing the needs of fly-in, fly-out/drive-in, drive-out workers.

28 beyondblue, *Submission 228*, p. 5.

29 Rio Tinto, *Submission 149*, p. 26.

FIFO families

- 4.55 Accounts of the effect of FIFO on the partners and families 'left behind' were mixed. Some claimed that FIFO work was destroying families, while others argued that FIFO work allowed them to provide a capacity to make choices about career opportunities, employer movements and provide access to education and health facilities without moving the family.
- 4.56 Alicia Ranford related the reasons for her family choosing FIFO work:
- ... we have moved six times in 10 years, including two years living in a mining town in South Africa. We have also lived in remote mining communities. We spent three years living in Cobar in outback New South Wales, where I had two pregnancies without obstetric care. It was five years ago, when our children were two and three, that we made the choice to do fly-in fly-out, because the 12-hour shifts on the mine meant that my husband was gone before the children woke up and he got home after I had put them to bed. So we decided to move back to Adelaide, where our support network is, and start doing fly-in fly-out. We have been doing it for five years now. He did three years flying in and out of Western Australia and he currently flies in and out of the Northern Territory. The company that he works for would like us to move to Darwin, but he would still be doing drive-in-drive-out unless I was happy to live in Pine Creek or Humpty Doo. I do not know if you have visited these towns. As lovely as they are, they are very small and do not have the schooling and facilities that we would want for our family.³⁰
- 4.57 Anne Sibbel advised that while FIFO families have issues particular to their FIFO status, there was no evidence that the wellbeing of these families was any different to that of the general population. However, many FIFO families 'believe they face more stressors than non-FIFO families.'³¹
- 4.58 Dr Sibbel stated that research had found that for FIFO employees, primary family concerns related to fatigue, extended periods away from the family home and the change in family dynamic this causes, difficulty maintaining relationships with extended family and friends and concern for family at home.³²

30 Alicia Ranford, Director, Mining Family Matters, *Transcript of Evidence*, Adelaide, 8 December 2011, p. 29.

31 Anne Sibbel, *Submission 122*, p. 1.

32 Anne Sibbel, *Submission 122*, p. 2.

4.59 Dr Sibbel's research has found that for the partners and families of FIFO workers:

the lifestyle can be more difficult for the at home partner; the mother often provides a buffer for the rest of the family; sole parenting fatigue, availability of communication with the FIFO partner; loneliness; access to emergency family support; parenting issues and managing children's behaviour.³³

4.60 Groups have been established primarily by families who have recognised the need for support for the 'left-behind' partner and provide online support, playgroups and more extensive advice on coping strategies, for example 'Mining Families Matter' in South Australia and 'FIFO Families' in Western Australia (both of these groups operate nationally).

4.61 The pressures on FIFO families is also a concern for industry:

One of the biggest negatives to FIFO is that the families left behind and with no comparison of living in a regional town, can build up resentment against the mining industry because of the disruption to family life. This can further aggravate the divide between metropolitan and regional Australia. Future generations have the potential to develop a strong dislike for the mining industry just when the industry needs them to be enrolling in increasing numbers in minerals-related disciplines. Families that live in regional mining towns tend to have a greater appreciation for how important mining is to Australia and to the community at large.³⁴

4.62 The Perth-based 'FIFO Families' support group stated that there needed to be a greater level of government funding and support for FIFO families along the lines of that provided to Defence families as these 'families experience the same issues in their working life'.³⁵ The group claimed:

There must be funding provided to companies and organisations such as FIFO Families so they can continue to provide the essential services of community and support to the FIFO families. This will promote and sustain healthy Australian families who live the FIFO lifestyle and who are an essential for the strong Australian economy.³⁶

33 Anne Sibbel, *Submission 122*, p. 2.

34 Australasian Institute of Mining and Metallurgy (AusIMM), *Submission 58*, p. 18.

35 FIFO Families, *Submission 48*, p. 5.

36 FIFO Families, *Submission 48*, p. 5. FIFO Families later acknowledged that employers should be funding the cost of this support. See Nicole Ashby, Director, FIFO Families, *Transcript of Evidence*, Perth, 18 April 2012, p. 18.

4.63 The Commonwealth Government provides Defence families with this support as the employer of the Defence Force member and, as the employer, acknowledges the value in supporting families.

Area for corporate action – family support programs

4.64 Evidence indicates that support to FIFO families would be of great benefit to them. However as employers, it is the resource companies that need to take ownership and provide greater support for the families of their FIFO workers as a strategy to support employee wellbeing and prevent turnover. The Defence Force provides an excellent 'case study about how to foster a sense of community and belonging among the families of those serving away from home'³⁷ and the established FIFO families groups also have a wealth of knowledge that resource companies can access.

4.65 The Commonwealth's extensive experience in providing support services for families of those who 'work away' has much to offer in this field. Therefore the Committee is recommending that the Government produce a best practice manual as a resource for employers with significant non-resident workforces aimed at assisting them to develop their own family support programs.

Recommendation 9

The Committee recommends that the Commonwealth Government develop a best practice guide for employers with significant non-resident workforces aimed at assisting them to develop their own family support programs.

The impact on children

4.66 The inquiry received conflicting evidence about the impact of having a FIFO parent on the health and wellbeing of children.

4.67 Those arguing the benefits of a FIFO parent suggested that:

- FIFO allows more quality time with children, when at home the FIFO parent is at home rather than working long shifts;³⁸ and

37 Kinetic Group, *Submission 213*, p. 9.

38 AngloGold Ashanti, *Submission 100*, p. 6; Mining Family Matters, *Submission 28*, p. 2.

- adolescent children demonstrate more household responsibility and independence and a greater appreciation of quality time spent with the FIFO parent.³⁹

4.68 The most comprehensively argued benefit for children with a FIFO parent was a continuity of education and enhanced educational opportunities by having the family unit based in a major centre, preventing the need to send children to boarding school in order to complete secondary education.⁴⁰

4.69 Those who argued the difficulties faced by children of FIFO parents suggested evidence of:

 - anxiety and depression being higher than in children of resident workers;⁴¹
 - behavioural issues with children and inconsistent expectations between the FIFO and at-home parents;⁴²
 - health outcomes are affected;⁴³ and
 - less interaction with parents on a daily basis.⁴⁴

4.70 A student of Moranbah High School, who had experienced her father as both a FIFO worker and a residential worker stated that: 'life is a lot better when you get to see both your parents on a daily basis.'⁴⁵

4.71 Despite the assertions made during the course of this inquiry, the lack of extensive research on the impact of a FIFO parent on children's wellbeing and family relationships hinders any real analysis of the benefits to or needs of children of FIFO parents. The limited available research indicates that while there are unique issues, FIFO does not present any significant psychological impacts on children.⁴⁶ However, there is not enough evidence to definitively support this claim.

4.72 The City of Mandurah, host to one of the largest FIFO populations in Western Australia noted that 'we really do not know enough about the

39 Anne Sibbel, *Submission 122*, p. 2.

40 This point was made consistently throughout the inquiry. See for example: AusIMM, *Submission 58*; Queensland Resources Council (QRC), *Submission 125*; Chamber of Minerals and Energy of Western Australia (CMEWA), *Submission 99*.

41 The City of Mandurah, *Submission 45*, p. 1.

42 Anne Sibbel, *Submission 122*, p. 2.

43 PHAA, *Submission 220*, p. 2.

44 ARC Research Team, *Submission 25*, p. 20.

45 Chantelle Winter, Student, Moranbah High School, *Transcript of Evidence*, Moranbah, 22 February 2012, p. 28.

46 beyondblue, *Submission 228*, p. 4.

effects of FIFO/DIDO workers on ... family units and broader community wellness.'⁴⁷ The Western Australian Commissioner for Children and Young People reiterated this point:

The key point I would like to make is that we do not have very good research or evidence at this stage about fly-in fly-out workers and the impact. ... if you work in an industry, as you all do, which has extended working hours, it can have an impact on family life. There are many industries other than fly-in fly-out where that happens. That is where the research has been. If parents are working in inflexible jobs where there is not a good work-life balance and are working longer hours, that can impact on family functioning. We need some more specific research in relation to fly-in fly-out workers.⁴⁸

4.73 There was also anecdotal evidence that FIFO parenting is having an impact on schooling:

We are hearing – again anecdotally – that children are missing between six and eight extra weeks of school, while when the partner comes back from the mines they are travelling to Bali on holiday. Bali is very cheap from here, so it is a holiday. That is becoming an issue for the schools and certainly, I think, is going to be a long-term issue in terms of people's education.⁴⁹

4.74 The City of Swan in Perth stated that while numbers of FIFO residents are unknown:

Anecdotal evidence gathered by the City of Swan from discussions with service organisations, local community groups and residents suggests that there are concentrations of families and people working in the mining industry living in the City of Swan and in three particular Place areas Ellenbrook, Rural (Bullsbrook) and Altone. In the Altone Place area, children's service provider, Meerlinga, has reported that there is a high proportion of FIFO families accessing parenting support services and playgroups.⁵⁰

47 The City of Mandurah, *Submission 45*, p. 1.

48 Michelle Scott, Commissioner, Commissioner for Children and Young People, Western Australia, *Transcript of Evidence*, Perth, 18 April 2012, p. 3.

49 Lesley Wilson, Director, City of Mandurah, *Transcript of Evidence*, Perth, 18 April 2012, p. 32

50 City of Swan, *Submission 23*, p. 3.

- 4.75 From the evidence received, it is clear that there are benefits and stressors specific to children with FIFO parents. There is a need for research in this area so that family support initiatives can be tailored to families in this circumstance.

Recommendation 10

The Committee recommends that the Commonwealth Government commission research on the effect on children and family relationships of having a long-term fly-in, fly-out/drive-in, drive-out parent.

‘Source’ communities

- 4.76 In contrast to ‘host’ communities discussed in the previous chapter, ‘source’ communities are those areas where resource workers are residentially based. Source communities reported significant advantages with a FIFO workforce.
- 4.77 Indeed, some communities are lobbying to become source communities because of the recognised economic benefits. For instance, in Queensland, a number of groups are working together to promote their regions as FIFO hubs:
- a group in the Gold Coast region is working with universities, training providers, employers and industry to identify skills and training needs as well as identifying the social and support needs of FIFO families. The group has also negotiated a dedicated FIFO airport terminal to offer a dedicated service to resource employers, recognising the impact the FIFO travellers have on the leisure market.⁵¹
 - a group in Townsville is similarly actively promoting the lifestyle offered by its region as an attractive base for a FIFO hub.⁵²
 - the City of Greater Geraldton is promoting itself as a ‘regional city’ hub and the Western Australian Government has a vision for Karratha and Port Hedland to be built into cities with a population of 50 000 each.⁵³

51 Corporate Development Mentors Pty Ltd, *Submission 141*, Gold Coast City Council, *Submission 143*; Regional Development Australia Gold Coast (RDA Gold Coast), *Submission 144*; Karen Andrews MP, Member for McPherson, *Submission 40*.

52 Townsville City Council, Townsville Chamber of Commerce, Townsville Enterprise Ltd, *Submission 64*.

- 4.78 FIFO workforce practices offer significant opportunities to build regional centres and broaden the economic base of those communities with an otherwise limited employment base. Advance Cairns argued that FIFO would address some on-going issues facing the city:

We have some of the highest rates of unemployment in Australia. There are significant opportunities to increase the skills base, education levels, workforce participation and wealth across our community. We need to collaborate with other regions. We need to provide choice and opportunities for our community or we may lose our skilled workers.⁵⁴

Area for corporate action – charters from regional areas

- 4.79 **On a number of occasions in Canada, the Committee was made aware of source communities – communities that had been specifically identified by employers as a ‘pick-up’ point for FIFO workers and workers are responsible for getting themselves from their homes to the hub. These centres are always regional and FIFO is being utilised as a way of keeping small communities alive. Union representatives noted that they had argued for payment allowances towards flights rather than company charters to encourage moves away from capital cities to regional centres.**⁵⁵

- 4.80 The MCA noted the benefits of source communities for mining operations because governments would then concentrate service provision to more easily accessible towns:

Governments face increasing difficulties in providing cost effective service delivery in mining communities. It will generally be more cost effective for governments to meet the infrastructure and services provision needs of increased mining populations through these populations being located in existing coastal centres rather than in more dispersed communities. Therefore, governments have the choice between significantly expanding service provision in these communities for increased residential workforces or meeting increased industry workforce needs through greater use of FIFO/DIDO arrangements and drawing on existing infrastructure and services in larger centres.⁵⁶

53 City of Greater Geraldton, *Submission 111*; Pilbara Regional Council, *Supplementary Submission 43.1*.

54 Stewart Christie, Chief Executive Officer, Advance Cairns, *Transcript of Evidence*, Cairns, 21 February 2012, p. 9.

55 Meetings held 27-28 August 2012, St John’s and Bay Bulls, Newfoundland, Canada.

56 MCA, *Submission 118*, p. 12.

- 4.81 Vale suggested that FIFO had the potential to reduce unemployment levels and spread the economic benefits of resource industry employment, noting that the Bowen Basin region had an unemployment rate in June 2011 of 1.3 per cent compared to the Queensland rate of 5.5 per cent.⁵⁷
- 4.82 Rio Tinto stated that it looks to utilise FIFO as a way to build regional communities, noting that in Western Australia, 13 per cent of the FIFO workforce flies from regional Western Australia.
- 4.83 Perth hosts a large FIFO community, but other regions of Western Australia are seeking to be, or successfully have been, utilised as FIFO hubs. Busselton Chamber of Commerce noted that an estimated 5 000 FIFO employees live within 100 kilometres of Busselton and the successful negotiation with Rio Tinto to commence a FIFO service to the Pilbara has supported Busselton's growth rate to amongst the highest in Australia.⁵⁸
- 4.84 Similarly, the City of Greater Geraldton argued that a focus on regional labour and the development of regional centres can relieve the population pressures on capital cities as well as creating 'substantial, strong and diverse regional communities.'⁵⁹

FIFO coordinator

- 4.85 The National Resources Sector Employment Taskforce (NRSET), a Commonwealth Government taskforce on the skills needs of the resources industry, has recommended the establishment of a FIFO coordinator position in Cairns to 'develop links between resources projects in remote locations and skilled workers, including local unemployed job seekers.'⁶⁰
- 4.86 In addition to the Cairns position, the development of four more FIFO coordinator positions has been announced.⁶¹ The resources industry has welcomed the development of the FIFO coordinator positions as a positive contribution to the labour supply challenges facing the resources industry.⁶²

57 Vale, *Submission 87*, p. 3.

58 Busselton Chamber of Commerce and Industry, *Submission 41*, p. 1.

59 City of Greater Geraldton, *Submission 111*, p. [4].

60 Minister for Tertiary Education, Skills, Jobs and Workplace Relations, *Submission 151*, p. 2.

61 Minister for Tertiary Education, Skills, Jobs and Workplace Relations, Media Release, 21 September 2011, <ministers.deewr.gov.au/evans/fly-fly-out-bring-job-opportunities-resources-sector>, viewed 6 December 2012.

62 CMEWA, *Submission 99*, p. 31.

4.87 The success of the Queensland Government's jobs expos held in regional areas was also noted.⁶³ The use of FIFO coordinators and expos support employment growth in regional areas.

Impact on source communities

4.88 Source communities experience economic benefits from hosting significant numbers of FIFO workers. Busselton Chamber of Commerce reported the growth of support industries and training opportunities as well as airport development.⁶⁴ Mackay Regional Council recognised that Mackay's growth is largely attributable to the resource sector.⁶⁵

4.89 As with host communities, source communities are struggling to quantify the impact that FIFO workers have on infrastructure. This is more of an issue in Queensland where, for example, workers are bussed from Mackay to the Bowen Basin, but transit through Mackay Airport so Mackay bears the impact as a transit point. Nonetheless, Mackay is developing as a strong service hub for the resources industry and has experienced a growth in business as well as population.⁶⁶

4.90 Advance Cairns noted that the impact on the economy and social fabric of source communities, as with the impact on host communities, is largely anecdotal and further research is needed. However, it identified the following opportunities:

- spreading of the benefits of the resources industry;
- servicing the resources sector (for example through the aviation industry) diversifies the market;
- better utilisation of community infrastructure by FIFO workers and their families; and
- economic stimulation.⁶⁷

4.91 Advance Cairns also noted concerns that FIFO source communities may experience skills shortages due to a drain to the resources sector and increased housing prices with the higher FIFO wages.⁶⁸

4.92 On the whole, FIFO is seen as a largely positive experience for source communities, on the most part due to the significant economic benefits

63 Local Government Association of Queensland (LGAQ), *Submission 92*; QRC, *Submission 125*.

64 Busselton Chamber of Commerce and Industry, *Submission 41*, p. 2.

65 Mackay Regional Council, *Submission 85*, p. 2.

66 Colin Meng, Mayor, Mackay Regional Council, *Transcript of Evidence*, Mackay, 23 February 2012, p. 9.

67 Advance Cairns, *Submission 76*, pp. 4-5.

68 Advance Cairns, *Submission 76*, p. 4.

that a higher income workforce brings. It is for this reason that the development of regional communities should be supported to operate as FIFO source communities.

- 4.93 The Chamber of Minerals and Energy of Western Australia (CMEWA) noted that while most FIFO employees live in the Perth region:

There is a move encouraged by companies and local governments to increase the number of employees living in regional centres and employed on FIFO arrangements in more remote parts of WA. ... [CMEWA] regards this approach as a 'win-win', combining regional development and industry development benefits. [CMEWA] supports complementary initiatives such as the Royalties for Regions and Pilbara Cities Programs in strengthening regional communities and increasing their attractiveness as lifestyle locations for workers in the resources industry who are employed elsewhere on FIFO rosters.⁶⁹

- 4.94 Rio Tinto also suggested that the development of regional communities as FIFO source communities 'creates a community of interest within the workforce, particularly when workers fly together to the same mine site and support each other both at work and at home. This support network is particularly important for Aboriginal people from small regional communities.'⁷⁰

Benefits for Indigenous communities

- 4.95 As noted in Chapter 2, the resources industry is a significant employer of Indigenous Australians. The MCA noted that the resource industry is the largest private sector employer of Indigenous peoples and that FIFO offers a significant opportunity for further engagement in the industry. Identifying predominately Indigenous communities as source communities has the potential to raise economic outcomes:

For example, Downer Mining is now the largest single private employer in Fitzroy Crossing with 27 Indigenous employees returning over \$2.6 million into the local economy. Hall's Creek is now looking to establish itself as a FIFO source community, and Kununurra is exploring whether it could operate as a FIFO source community during the wet season.⁷¹

69 CMEWA, *Submission 99*, pp. 7-8.

70 Rio Tinto, *Submission 149*, p. 15.

71 MCA, *Submission 118*, p. 12.

- 4.96 This point was reiterated consistently in Canada where Indigenous communities engage in both camp management and mining operations. However, similar to Australian conditions, some are only able to travel reliably on a seasonal basis due to weather conditions. Communities are being identified and trained with the long-term goal of engaging them in the FIFO workforce.⁷²
- 4.97 In Cairns, the Community and Indigenous Relations Manager for Kagara Mine noted that part of the mine's engagement with schools was to ensure that student have a good understanding of career pathways:
- students get the opportunity to go out on site on a camp and actually understand what sort of life skills are going to be required to work in a remote employment environment. ... There are a whole lot of things we do in this program that have nothing to do with very high achievements. They are to do with: 'Do you know what the implications for a roster are? Do you like playing sport every weekend? You do? Then here is a 4 X 4 roster for any given month of the year. Work out how many weekends you can play football. Do you like being home at Christmas time with your family? You do?' We go through all those things: 'Do you understand that you might get paid once a month? Do you have a house where you can get a good night's sleep if you are on night shift?'⁷³
- 4.98 Kagara Mine also sends trainees on a three month intensive training program in Camooweal to expose them to the experience of living away from home. Trainees noted that they felt they now had 'a foot in the door' for any mine after completing the initial program.⁷⁴
- 4.99 Work readiness training is often required in Indigenous training programs, and the skills to engage in FIFO work may increase the employment opportunities for remote Indigenous communities.

72 Meetings held 27-31 August 2012, Canada.

73 Noel Gertz, Community and Indigenous Relations Manager, Kagara Mine, *Transcript of Evidence*, Cairns, 21 February 2012, pp. 18, 22.

74 Nicole Edwards, Work Placement Trainee, Kagara Mine, *Transcript of Evidence*, Cairns, 21 February 2012, p. 19.

Committee comment

- 4.100 Like all aspects of the FIFO workforce debate, little is known about the real impact of FIFO work, on individuals, on families and on source communities.
- 4.101 None of the evidence to this inquiry indicated that FIFO in itself had particularly deleterious effects on individuals and families, but that it does have very specific impacts that need further exploration and policy response.
- 4.102 The evidence indicates that for those communities in which FIFO workers reside, the effects of being the source for a FIFO workforce are largely positive. The Committee is particularly keen to see regional and Indigenous communities promoted as FIFO source communities, rather than the focus remaining on sourcing labour from capital cities. To this end, metropolitan and outer-metropolitan areas should not be considered regional for any regional funding allocation or policy measures.
- 4.103 The 'FIFO coordinator' position is a key initiative that, if targeted appropriately, will support regional communities to enhance their workforce base by the provision of labour to the resources industry.
- 4.104 The Committee is concerned that competition amongst regional communities to become a FIFO 'source' community reinforces the view that FIFO is good for these communities. Care needs to be taken that these communities do not develop the same problems of high housing costs and lack of service staff as is experienced in resource communities and a better understanding of the real impacts of FIFO is needed before the push for more FIFO 'hubs' continues.

Recommendation 11

The Committee recommends that the Commonwealth Government commission research into the economic and social impacts of establishing regional centres as fly-in fly-out source communities.